CORPORATION OF THE CITY OF CORNWALL

1986 FINANCIAL REVIEW AND 1987 BUDGET HIGHLIGHTS

MAYOR
B. LYNCH

COUNCIL

R. AUBRY
D. CARR
C. CHARLEBOIS
Wm. GALLANT
G. GRANT
T. GREEN
F. GUINDON
R. LALONDE
T. LALONDE
A. LEBLANC
G. LEGER
C. POIRIER

CHIEF ADMINISTRATIVE OFFICER
C.F. ADAMS

Director, Finance and Administration	J.F. McDonald
Director, Community Services	H. O'Reilly
Director, Economic Development	Vacant
Director, Planning and Engineering	W.A. Knight
City Clerk	R. Allaire
Manager, Human Resources	S. Seiler
Manager, Fire Services	P. Champagne
Manager, Transit	L. Chevrier
Manager, Parks and Recreation	S. Miller
Manager, Social Services	F. Flanigan
Manager, Civic Complex	N. Fitzharris
Manager, Accounting	F. Lyonnais
Manager, Engineering Services	D. Fielding
Manager, Planning Services	M. Otis
Manager, Public Works	F. Hamelin
Chief of Police	C. Shaver

CITY SOLICITORS
GUINDON, MacLEAN, McDONALD & CASTLE

AUDITORS
TOUCHE ROSS & CO.

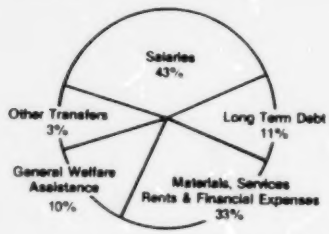
1986 FINANCIAL REVIEW

SUMMARY OF EXPENDITURES

(in thousands)

WHERE THE MONEY WAS SPENT:

	1986 ACTUAL	1985 ACTUAL
General Administration, Council, Legal and Personnel Services	3,265	2,711
635 (1985-565) Fire Calls Responded to	2,941	2,598
Police - Policing Costs	5,151	4,456
Financial Assistance to Conservation Authority and E.M.O.	188	211
Animal Control, Building & Inspection Services and Pest Control	335	318
Maintenance of 232.3 (1985 - 231.1) Kilometers of Road	6,585	5,862
Removal of Snow for Annual Snowfall of 140.56 cm (1985 - 193.0)	641	845
32 Buses to carry 1,780,259 (1985 - 1,857,043) Passengers	3,181	3,039
Servicing 615 (1985 - 807) Metered Parking Spaces	209	247
Transfer of Funds to the Cornwall Regional Airport Commission	23	8
Maintenance of 124 (1985 - 104) Slips at Marina 200	112	76
19.0 (1985 - 17.4) Million M^3 of Sewage Treated	2,033	1,752
227.0 (1985 - 221.46) Kilometers of Sewer	1,562	1,546
12.6 (1985 - 12.1) Million M^3 of Treated, Piped Water	2,736	2,508
Twice Weekly Garbage Collection and Disposal	1,201	1,063
Financial Assistance to Eastern Ontario Health Unit	230	231
Welfare Payments and Administration	4,927	4,795
Financial Assistance to Glen Stor Dun Lodge	196	243
Financial Assistance to Children's Aid Society	240	259
Richelieu Day Care Centre - Licenced for 55 Children	349	323
Parks and Recreation - 265 (1985 - 265) Hectares of Parkland	2,477	2,631
Operation of The Cornwall Civic Complex	1,212	1,202
Gross Operating Cost of the Cornwall Public Library	1,326	1,206
Financial Assistance to the S.D. & G. Historical Society	58	56
Planning, Zoning and Industrial Development	1,525	1,490
Gross Operating Cost of the Downtown Board of Management	141	135
Gross Operating Cost of Le Village	75	51
	42,919	39,860
Appropriations to Reserves		2,242
Capital Operations	9,153	6,529
	$52,072	$48,631



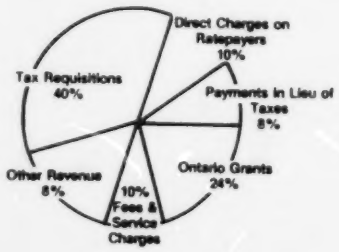
1986 CURRENT EXPENDITURES

SUMMARY OF REVENUE

(in thousands)

WHERE THE MONEY CAME FROM:

	1986 ACTUAL	1985 ACTUAL
Tax Requisitions	18,181	17,015
Direct Charges on Ratepayers		
- Water Billings	3,391	3,168
- Sewer Surcharge	1,234	945
Payments in Lieu of Taxes		
- Canada	2,301	2,178
- Ontario	976	942
- Cornwall	263	239
Ontario Grants	11,101	11,322
Fees, Service Charges, Donations and Grants		
- Transit	1,185	1,227
- Parking	284	286
- Parks and Recreation	394	350
- Cornwall Civic Complex	595	621
- Libraries	834	642
- Cornwall Square Rent	209	209
- Other Fees and Service Charges	1,191	570
Other Revenue		
- Internal Equipment Rentals	1,746	1,563
- Interest on Current Taxes	320	356
- Interest on Investments	833	549
- M.O.E. Consumption Withheld	313	1,404
- Sale of Assets	156	193
- Other Revenue	421	717
	45,928	44,496
Appropriations from Reserves	4,008	
Capital Operations	4,381	7,541
	$54,317	$52,037



1986 CURRENT REVENUE

CAPITAL PROJECTS
EXPENDITURES INCURRED DURING 1986
(in thousands)

GENERAL GOVERNMENT	
Justice Building Renovations	64
PROTECTION TO PERSONS AND PROPERTY	
Fire Department 'Aerial Truck'	63
Police Department Renovations	26
	89
TRANSPORTATION SERVICES	
Pitt Street, Eleventh to Thirteenth	911
Montreal Road, St. Felix to Danis	711
Second Street, Augustus to Sydney	63
Pitt Street, CNR Overpass	88
Temporary Pavement	124
Sidewalks	102
Cornwallis Site - Land	95
Others	416
	2,510
ENVIRONMENTAL SERVICES	
Sanitary Sewers - Tollgate to Vincent Massey	82
- Fifth to Burton	72
Storm Sewer - Boals Drain Brookdale	91
Watermain - Marleau Avenue	29
Landfill Site, Phase 2	476
Water Pollution Control Plant	5,472
Others	58
	6,280
RECREATION AND CULTURAL SERVICES	143
PLANNING AND DEVELOPMENT	67
	$9,153

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1986 (in thousands)

ASSETS

	1986	1985
UNRESTRICTED		
Cash	$1,652	$ 862
Term deposits	3,976	5,000
Taxes receivable	968	1,822
User charges receivable	222	294
Accounts receivable	2,835	3,249
Other current assets	1,423	1,579
	11,076	12,806
RESTRICTED		
Cash	79	—
Other current assets	72	—
Long Term receivables	—	453
	151	453
CAPITAL OUTLAY		
Financed by long term liabilities and to be recovered in future years (Exhibit C)	26,536	27,311
	$37,763	$40,570

LIABILITIES

Temporary loans	$ 72	$ —
Accounts payable and accrued liabilities	2,823	3,034
Other current liabilities	731	861
	3,626	3,895
Net long term liabilities (Exhibit C)	26,536	27,311
	30,162	31,206

BALANCE OF FUNDS

To be used to offset taxation or user charges (Exhibit B)	1,113	421
Unexpended capital financing (Unfinanced capital outlay) (Exhibit B)	3,574	2,021
	4,687	2,442
Reserves (Exhibit A)	2,763	6,469
Reserve fund (Exhibit A)	151	453
	2,914	6,922
	$37,763	$40,570

EXHIBIT A

RESERVE FUNDS	1986	1985
Set aside for specific purposes by Legislation, Regulation or Agreement		
Recreation Land	29	—
Parking Revenues	122	—
O.W.R.C.	—	453
	$151	$453
RESERVES		
Set aside for specific purposes by Council		
Future Capital Expenditures	531	509
Sewage Treatment Plant	754	4,536
Working Capital	403	268
Inventories	1,075	1,156
	$2,763	$6,469

EXHIBIT B

MUNICIPAL FUND BALANCES AT THE YEAR END

To be recovered from Taxation or User charges		
- For General Decrease of Taxation	26	96
For General Decrease of User charges	900	188
- For Benefitting Landowners	175	116
Le Village Business Improvement Area	5	14
Downtown Business Improvement Area	(3)	(8)
- Cornwall Public Library	9	15
TOTAL	$1,112	$ 421
UNEXPENDED CAPITAL FINANCING		
Work in Process	(60)	(283)
Unapplied Capital Receipts	3,634	2,304
TOTAL	$3,574	$2,021

EXHIBIT C

NET LONG TERM LIABILITY		
Balance as per Statement	$26,536	$27,311
Less Self Financing Debt		
- Water works Operation	1,889	1,924
- Downtown Revitalization	8,367	8,625
Long Term Debt Which is Direct Tax Burden	$16,280	$16,762

NOTES TO FINANCIAL STATEMENT

December 31, 1986

1 a) BASIS OF CONSOLIDATION

These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, reserve fund, capital fund and the Cornwall Police Commission and includes the activities of all committees of Council and the following local boards and municipal enterprises which are under the control of Council

LOCAL BOARDS

The Cornwall Public Library Board
Association Le Village Business Improvement Area
Downtown Business Improvement Area

MUNICIPAL ENTERPRISES

City of Cornwall Water Supply System
City of Cornwall Transit System

All interfund assets and liabilities are eliminated with the exception of loans or advances between the reserve fund and other funds of the municipality

b) NON-CONSOLIDATED ENTITIES

The Cornwall Regional Airport Commission Inc. and the Eastern Ontario Health Unit which are joint local boards, and the Cornwall Street Railway, Light and Power Company Limited (Cornwall Electric), a private company owned by the City of Cornwall, are not consolidated

c) SCHOOL BOARDS

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in these financial statements except to the extent that overlevies are reported on the consolidated balance sheet as other current liabilities

2 TRUST FUNDS

Trust funds administered by the municipality amounting to $609,301 (1985 - $638,960) have not been included in the consolidated balance sheet nor have their operations been included in the consolidated statement of operations

3. Included in the expenditure for current operations are principal charges for the retirement of long term debt of $2,204,933 ($2,791,334 in 1985) and interest charges of $2,361,189 ($2,040,769 in 1985)

4. All figures are extracted from the 1986 Consolidated Financial Statements of the City of Cornwall which have been audited by Touche Ross & Co. Copies of the 1986 Financial Statements are on file at the Treasury Department in the Justice Building and may be examined during regular office hours.

1987 BUDGET HIGHLIGHTS

COMPARISON OF MILL RATES

	1983	1984	1985	1986	1987
COMMERCIAL PUBLIC					
General Rate	147.14	160.86	173.78	181.55	189.84
Public School Rate	72.18	76.25	78.79	85.99	91.00
High School Rate	57.92	62.41	67.18	68.83	71.34
	277.24	299.02	319.25	335.77	352.18
RESIDENTIAL PUBLIC					
General Rate	125.06	136.73	147.59	154.32	161.36
Public School Rate	61.35	64.81	66.97	72.58	77.35
High School Rate	49.23	53.05	57.10	58.51	60.64
	235.64	254.17	271.66	285.41	299.35
COMMERCIAL SEPARATE					
General Rate	147.14	160.86	173.78	181.55	189.84
Separate School Rate	69.35	73.42	76.47	88.78	88.43
High School Rate	57.92	62.41	67.18	68.83	71.43
	274.41	296.19	317.43	339.16	349.70
RESIDENTIAL SEPARATE					
General Rate	125.06	136.73	147.59	154.32	161.36
Separate School Rate	58.95	62.41	65.00	68.66	75.17
High School Rate	49.23	53.05	57.10	58.51	60.72
	233.24	252.19	269.69	281.49	297.25

SUMMARY OF ASSESSMENT FOR 1987

	$ 1986		$ 1987	
Public Residential	23,152,754		24,418,415	
Separate Residential	32,694,552	55,847,306	32,711,554	57,129,969
Public Commercial	27,002,033		27,316,563	
Separate Commercial	4,534,941	31,536,974	5,056,691	32,373,254
Public Business	12,303,030		12,513,885	
Separate Business	1,614,610	13,917,640	1,799,185	14,313,070
TOTAL		101,301,920		103,816,293
Bell Canada		2,298,624		2,382,604
		103,600,544		106,198,897

COMMUNITY LEVIES

	$ 1985	$ 1986	$ 1987
Education	13,145,873	14,081,315	15,243,142
Municipal	15,802,493	16,870,447	18,081,563
	$28,948,366	30,951,762	33,324,705

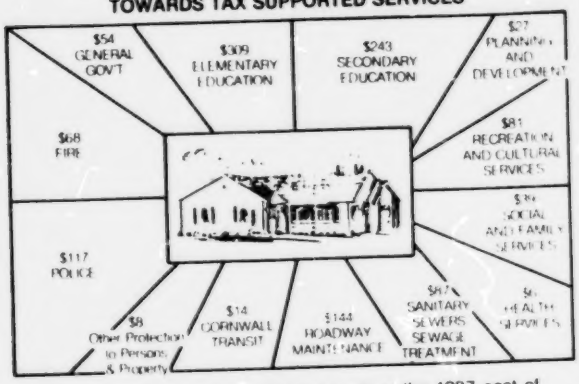
WHERE THE MONEY WILL COME FROM IN 1987 TO PAY FOR THE COST OF TAX SUPPORTED SERVICES IN THE CITY OF CORNWALL

	1985	1986	1987	AMOUNT
REALTY & BUSINESS TAXES Imposed for Municipal and Educational purposes	34.0	34.7	34.6	33,324,705
PROVINCE OF ONTARIO Contribution applied to reduce taxes imposed for Municipal & Education purposes	50.1	50.0	48.0	46,195,420
OTHER MUNICIPAL AND EDUCATIONAL REVENUE	15.9	15.3	17.4	16,741,148
	100.00	100.00	100.00	96,261,273

In 1987, Ontario will contribute $1.39 (1986 $1.44) for every dollar of realty and business taxes imposed by the City of Cornwall

1987 AVERAGE HOUSEHOLD TAXES

WHAT THE AVERAGE RESIDENTIAL TAXPAYER WILL CONTRIBUTE IN 1987 TOWARDS TAX SUPPORTED SERVICES



The above illustration is intended to show the 1987 cost of municipal services for a public school supporter having an assessed value on a house and lot of $4,000. Using that assessment base the total 1987 taxation for the household will be $1197. The comparative taxation for a Separate School supporter will be $1189 in 1987.

WHERE THE TAX DOLLAR GOES FOR EVERY 100 OF EXPENDITURE

	1985	1986	1987
GENERAL			
Education	$ 45.41	$ 45.49	$ 45.74
Municipal	54.59	54.51	54.26
	$100.00	$100.00	$100.00
SPECIFIC EDUCATION			
Public	$15.98	$16.19	$16.45
Separate	8.40	8.78	8.98
Public Secondary	21.03	20.52	12.88
Separate Secondary	-	-	7.43
	$45.41	$45.49	$45.74
MUNICIPAL			
General Government	$ 4.31	$ 3.76	$ 4.50
Protection to Persons and Property	16.49	16.95	16.23
Transportation Services	12.77	13.31	13.34
Environmental Services	6.93	6.65	7.33
Health Services	.55	.49	.49
Social Services	3.71	3.71	3.31
Recreational and Cultural Services	7.43	7.30	6.78
Planning and Development	2.40	2.34	2.28
	$ 54.59	$54.51	$54.26
	$100.00	$100.00	$100.00

Corporation of the City of Corporation de la Ville de

CORNWALL

1986

Financial Statement

Relevé Financier

1987

MAYOR

Brian Lynch

COUNCIL

R. Aubry	F. Guindon
D. Carr	R. Lalonde
C. Charlebois	T. Lalonde
Wm. Gallant	A. Leblanc
G. Grant	G. Leger
T. Green	C. Poirier

CHIEF ADMINISTRATIVE OFFICER

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Manager, Public Works	F. Hamelin
Chief of Police	C. Shaver

CITY SOLICITORS

Guindon, MacLean, McDonald & Castle

AUDITORS

Touche Ross & Co.

P.O. / C.P. Box 877 - CORNWALL, ONTARIO K6H 5T9

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Touche Ross

CORPORATION OF THE CITY OF CORNWALL

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1986

Touche Ross & Co.
Chartered Accountants
162 The Pitt Street Mall, Suite 200
Cornwall, Ontario K6J 3P4
Telephone: 613 932-5421

Touche Ross

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Cornwall

We have examined the consolidated balance sheet of the Corporation of the City of Cornwall as at December 31, 1986 and the consolidated statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Corporation of the City of Cornwall as at December 31, 1986 and the results of its operations for the year then ended in accordance with accounting principles disclosed in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Cornwall, Ontario
April 14, 1987

Chartered Accountants

CORPORATION OF THE CITY OF CORNWALL

CONSOLIDATED BALANCE SHEET
AS AT DECEMBER 31, 1986

	1986	1985
ASSETS		
Unrestricted		
Cash	$ 1,652,384	$ 861,563
Term deposits	3,975,740	5,000,000
Taxes receivable	968,456	1,821,744
User charges receivable	222,374	293,680
Accounts receivable	2,834,479	3,249,166
Other current assets	1,422,701	1,579,557
	11,076,134	12,805,710
Restricted		
Cash	79,065	-
Accounts receivable	71,950	-
Long term receivables	-	453,118
	151,015	453,118
Capital outlay financed by long term liabilities and to be recovered in future years	26,535,903	27,310,766
	$37,763,052	$40,569,594
LIABILITIES		
Temporary loans	$ 71,950	$ -
Accounts payable and accrued liabilities	2,822,539	3,034,225
Other current liabilities	731,416	860,666
	3,625,905	3,894,891
Net long term liabilities (Note 5)	26,535,903	27,310,766
	30,161,808	31,205,657
BALANCE OF FUNDS		
To be used to offset taxation or user charges (Note 6)	1,112,465	420,792
Unexpended capital financing (Note 6)	3,574,414	2,020,584
	4,686,879	2,441,376
Reserves (Note 7)	2,763,350	6,469,443
Reserve funds (Note 7)	151,015	453,118
	2,914,365	6,922,561
	$37,763,052	$40,569,594

The accompanying notes are an integral part of this financial statement.

CORPORATION OF THE CITY OF CORNWALL

CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 1986

	Budget 1986	Actual 1986	Actual 1985
SOURCES OF FINANCING:			
Current operations			
Taxation and user charges			
Residential and farm taxation	$ 8,540,000	$ 8,745,944	$ 8,291,843
Commercial, industrial and business taxation	9,205,000	9,435,046	8,722,925
Taxation from other governments	3,444,000	3,540,706	3,358,563
User charges	4,363,000	4,626,059	4,113,018
Grants - Ontario	11,651,000	11,100,902	11,321,504
- Canada	-	-	6,561
- other municipalities	7,000	7,600	6,000
Fees and service charges	6,108,000	6,536,193	5,862,563
Investment income	375,000	832,733	548,737
Other	504,000	1,103,644	2,263,644
	44,197,000	45,928,827	44,495,358
Capital operations			
Ontario grants	1,101,000	2,156,980	2,150,326
Canada grants	-	4,278	-
Proceeds from the issue of long term liabilities	2,140,000	2,139,752	5,268,000
Other	14,000	80,305	123,235
	3,255,000	4,381,315	7,541,561
Net appropriations from reserves and reserve funds	4,000,000	4,008,196	-
MUNICIPAL FUND BALANCES AT THE BEGINNING OF THE YEAR (Note 6)			
To be used to offset (to be recovered from) taxation or user charges	325,000	420,792	(573,377)
Unexpended capital financing (unfinanced capital outlay)	-	2,020,584	(390,806)
Total financing available during the year	$51,777,000	$56,759,714	$51,072,736

	Budget 1986	Actual 1986	Actual 1985
APPLIED TO:			
Current operations			
General government	$ 2,768,000	$ 3,265,175	$ 2,707,815
Protection to persons and property	8,187,000	8,615,187	7,580,477
Transportation services	10,683,000	10,750,612	10,078,252
Environmental services	7,518,000	7,532,979	6,869,123
Health services	234,000	229,560	230,732
Social and family services	6,004,000	5,711,351	5,620,223
Recreation and cultural services and library	5,172,000	5,073,289	5,097,822
Planning and development	1,695,000	1,741,204	1,675,814
	42,261,000	42,919,357	39,860,258
Capital			
General government	-	63,875	105,270
Protection to persons and property	200,000	89,194	58,036
Transportation services	3,311,000	2,509,952	2,971,523
Environmental services	4,889,000	6,280,653	3,026,555
Social and family services	135,000	1,886	-
Recreation and cultural services and library	117,000	141,050	360,937
Planning and development	50,000	66,868	6,389
	8,702,000	9,153,478	6,528,710
Net appropriations to reserves and reserve fund	-	-	2,242,392
MUNICIPAL FUND BALANCES AT THE END OF THE YEAR (Note 6)			
To be used to offset taxation or user charges	814,000	1,112,465	420,792
Unexpended capital financing	-	3,574,414	2,020,584
Total applications during the year	$51,777,000	$56,759,714	$51,072,736

The accompanying notes are an integral part of this financial statement.

CORPORATION OF THE CITY OF CORNWALL

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1986

1. Significant accounting policies

The consolidated financial statements of the Corporation of the City of Cornwall are prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs.

a. i. Basis of consolidation

These consolidated statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, reserve fund, capital fund and the Cornwall Police Commission and includes the activities of all committees of Council and the following local boards and municipal enterprises which are under the control of Council:

Local boards

The Cornwall Public Library Board
Association Le Village: Business Improvement Area
Downtown Business Improvement Area

Municipal enterprises

City of Cornwall Water Supply System
City of Cornwall Transit System

All interfund assets, liabilities, sources of financing and expenditures have been eliminated with the exception of loans or advances between the reserve fund and other funds of the municipality and the resulting interest income and expenditures.

Sources of financing and expenditures include charges to current and capital operations for use of city-owned equipment by various departments. These equipment charges have not been eliminated.

ii. Non-consolidated entities

The Cornwall Regional Airport Commission Inc. and the Eastern Ontario Health Unit, which are joint local boards, and Cornwall Street Railway, Light and Power Company Limited (Cornwall Electric), a private company owned by the City of Cornwall, are not consolidated.

iii. School boards

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards are not reflected in the municipal fund balances of these financial statements. Overlevies (underlevies) are reported on the consolidated balance sheet as other current liabilities (other current assets).

Corporation of the
City of Cornwall
Notes to financial statements
December 31, 1986

1. Significant accounting policies - continued

a. Basis of consolidation - continued

iv. Trust funds

Trust funds and their related operations administered by the Municipality are not consolidated, but are reported separately on the Trust funds statement of continuity and balance sheet.

b. Basis of accounting

i. Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long term liabilities which are charged against operations in the periods in which they are paid.

ii. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

iii. Fixed assets

The historical cost and accumulated depreciation for fixed assets are not recorded for municipal purposes. Fixed assets are reported as an expenditure on the consolidated statement of operations in the year of acquisition.

iv. Capital outlay financed by long term liabilities and to be recovered in future years

Capital outlay financed by long term liabilities and to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the consolidated balance sheet.

Corporation of the
City of Cornwall
Notes to financial statements
December 31, 1986

2. Operation of school boards

Further to note 1(a)(iii), the taxation, other revenues, requisitions and overlevies of the school boards are comprised of the following:

	1986	1985
Taxation and user charges	$14,769,782	$13,771,602
Grants	327,699	313,169
Amounts received or receivable	15,097,481	14,084,771
Requisitions and supplementary taxes	15,008,751	14,079,648
Overlevies for the year	88,730	5,123
Overlevies at the beginning of the year	96,768	91,645
Overlevies at the end of the year	$ 185,498	$ 96,768

3. Contributions to unconsolidated joint boards

Further to note 1(a)(ii), the following contributions were made by the municipality to these boards:

	1986	1985
Cornwall Regional Airport Commission Inc.	$ 22,738	$ 8,225
Eastern Ontario Health Unit	$ 226,916	$ 227,751

The municipality's share of the accumulated surplus of the Eastern Ontario Health Unit is $33,710 (1985 - $31,712).

4. Trust funds

Trust funds administered by the municipality amounting to $609,301 (1985 - $638,960) have not been included in the consolidated balance sheet nor have their operations been included in the consolidated statement of operations.

Corporation of the
City of Cornwall
Notes to financial statements
December 31, 1986

5. Net long term liabilities

	1986	1985
a. The balance of net long term liabilities reported on the consolidated balance sheet is made up of the following:		
Total long term liabilities incurred by the Municipality including those incurred on behalf of school boards, local boards, municipal enterprises and Cornwall Electric and outstanding at the end of the year amount to	$35,146,955	$35,904,513
Of the long term liabilities shown above, the responsibility for payment of principal and interest charges that has been assumed by an unconsolidated joint board and Cornwall Electric. At the end of the year, the outstanding principal amount of this liability is	(5,386,175)	(5,775,581)
The total value of sinking funds and the balance in the Ministry of the Environment Debt Retirement Fund which have accumulated to the end of the year to retire the outstanding long term liabilities included above, amount to	(3,224,877)	(2,818,166)
Net long term liabilities at the end of the year	$26,535,903	$27,310,766

b. Of the net long term liabilities reported in (a) of this note, $13,923,501 in principal payments are payable from 1987 to 1991, $6,760,800 from 1992 to 1996, and $5,851,600 thereafter and are summarized as follows:

	1987 to 1991	1992 to 1996	1997 and thereafter
from general municipal revenues	$11,496,366	$ 6,175,368	$ 5,813,165
from benefitting landowners	957,273	122,795	38,435
from consolidated municipal enterprises	1,469,862	462,637	-
	$13,923,501	$ 6,760,800	$ 5,851,600

5. Net long term liabilities - continued

c. Included in net long term liabilities on the consolidated balance sheet is an amount of $1,671,090 (1985 - $1,996,090) payable in U.S. dollars, which was converted into Canadian dollars at the rate of exchange prevailing when the liability was incurred. If the liability is converted into Canadian dollars at the exchange rate prevailing at December 31, 1986, the liability would be increased by $321,000 (1985 - $469,000).

d. Approval of the Ontario Municipal Board has been obtained for the long term liabilities in (a) issued in the name of the municipality, except for certain capital lease obligations in the amount of $750,000.

e. The municipality is contingently liable for long term liabilities for which the responsibility for the payment of principal and interest has been assumed by a joint local board and Cornwall Electric. The total amount as at December 31, 1986 is $5,386,175 (1985 - $5,775,581) and is not recorded on the consolidated balance sheet.

6. Municipal fund balances at the end of the year

a. The balance on the consolidated balance sheet of $4,686,879 (1985 - $2,441,376) at the end of the year is comprised of the following:

	1986	1985
To be recovered from taxation or user charges		
- for general decrease of taxation	$ 25,923	$ 96,462
- for general decrease of user charges	900,233	187,924
- for benefitting landowners	175,172	115,630
- Le Village Business Improvement Area	5,019	13,732
- Downtown Business Improvement Area	(2,868)	(8,183)
- Cornwall Public Library	8,986	15,227
Total	1,112,465	420,792
Unexpended capital financing (unfinanced capital outlay)		
- capital projects in process	(59,802)	(283,536)
- unapplied capital receipts	3,634,216	2,304,120
Total	3,574,414	2,020,584
Grand total	$ 4,686,879	$ 2,441,376

6. Municipal fund balances at the end of the year - continued

b. Approval of the Ontario Municipal Board has been obtained for the pending issues of long term liabilities and for those commitments to be financed from revenues beyond the term of Council.

c. Unapplied capital receipts are to be used for future capital projects. Of the total shown above, $3,382,166 (1985 - $2,162,547), has been designated for specific capital projects.

7. Reserves and reserve funds

a. The total balance of reserves and reserve funds of $2,914,365 (1985 - $6,922,561) is comprised of the following:

	1986	1985
Set aside for specific purpose by Council		
- Future capital expenditures	$ 531,523	$ 509,563
- Sewage treatment plant	753,631	4,535,793
- Working capital	403,379	268,271
- Inventories	1,074,817	1,155,816
Total reserves	2,763,350	6,469,443
Set aside for specific purpose by legislation, regulation or agreement		
- Recreational land	28,876	-
- Parking revenues	122,139	-
- O.W.R.C.	-	453,118
Total reserve funds	151,015	453,118
Total reserves and reserve funds	$ 2,914,365	$ 6,922,561

b. Effective January 1, 1986, the Parkland Trust fund has been accounted for as a reserve fund for recreational land. The beginning trust fund balance has been transferred to the municipality; the current year transactions for Parkland funds are reflected in the consolidated financial statements of the municipality.

Corporation of the
City of Cornwall
Notes to financial statements
December 31, 1986

8. Charges for net long term liabilities

Total charges for the year for net long term liabilities which are reported on the consolidated statement of operations are as follows:

	1986	1985
Principal payments including contributions to the Ministry of the Environment Debt Retirement Fund	$ 2,204,933	$ 2,791,334
Interest	2,361,189	2,040,769
	$ 4,566,122	$ 4,832,103

9. Non-accrual of interest on long term liabilities

No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had this provision been made the municipal fund balances as at December 31, 1986 would have been decreased by $509,000 (1985 - $516,000).

10. Liability for vested sick leave benefits

a. Fire and Police departments

Under the sick leave benefit plan, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Municipality's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to $893,000 (1985 - $789,000) and $936,000 (1985 - $823,000) for Fire and Police, respectively, at the end of the year. No provision has been made in the accounts for this liability.

b. C.U.P.E. Employees

A Short Term Income Protection Plan (S.T.I.P.P.) was initiated in 1982, resulting in no further accumulation of sick leave days.

The liability for unused accumulated days up to the date of implementation remains, and can be taken in cash by an employee upon termination. This amounted to approximately $163,000 (1985 - $204,000) at the end of the year. No provision has been made in the accounts for this liability.

11. Contingent liabilities and commitments

a. Contractual obligation - Ministry of the Environment

In accordance with a service agreement entered into by the municipality in 1966 with the Ministry of the Environment, the existing sewage system is owned and operated by the Ministry. The municipality is obligated to meet all operating costs and repay the long term liabilities related to these projects.

Included in the consolidated statement of operations are the 1986 charges from the Ministry - sewage $1,204,568. The consolidated balance sheet does not reflect any assets or liabilities pertaining to the sewage system except to the extent of service charges due to (or from) the Ministry.

Information received from the Ministry as at March 31, 1986, indicates the following:

	Accumulated net surplus	1986 debt charges	Total outstanding long term liabilities
Sewage system	$ 196,000	$ 358,165	$ 4,253,000

The operating surplus and long term liabilities indicated above are not reflected in the accompanying financial statements.

b. O.M.E.R.S. Supplementary Plans

The unfunded liability arising from O.M.E.R.S. Supplementary Plans is being funded over the next six years at $64,439 annually in respect to the Fire Department and over the next three years at $135,631 annually in respect to the Police Department.

12. Comparative figures

Long term liabilities are now reported net of debt obligations for which the responsibility for repayment has been assumed by non-consolidated entities. Accordingly, comparative figures on the consolidated balance sheet for "capital outlay to be recovered in future yeas" and "net long term liabilities" have been revised to reflect this change in presentation. Comparative figures on the consolidated statement of operations have also been revised to report the recovery of debt charges as a reduction in expenditures.

Touche Ross

CORPORATION OF THE CITY OF CORNWALL

ONTARIO HOME RENEWAL PROGRAM

TRUST FUND

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 1986

Touche Ross & Co.
Chartered Accountants
162 The Pitt Street Mall, Suite 200
Cornwall, Ontario K6J 3P4
Telephone: 613 932-5421

Touche Ross

AUDITORS' REPORT

To the Members of Council, Inhabitants
and Ratepayers of the Corporation of
the City of Cornwall

We have examined the balance sheet of the trust fund of the Corporation of the City of Cornwall as at December 31, 1986 and the statement of continuity for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of the trust fund for the Corporation of the City of Cornwall as at December 31, 1986 and the continuity of the trust fund for the year then ended in accordance with accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Cornwall, Ontario
April 14, 1987

Chartered Accountants

Touche Ross

CORPORATION OF THE CITY OF CORNWALL

ONTARIO HOME RENEWAL PROGRAM
TRUST FUND

BALANCE SHEET AS AT DECEMBER 31, 1986

	1986	1985
ASSETS		
Cash and short term deposits	$304,722	$202,330
Loans receivable	342,974	390,115
Due from revenue fund	-	96,144
Accrued interest	5,155	-
	$652,851	$688,589
LIABILITIES		
Accounts payable	$ 43,550	$ 61,240
BALANCE OF FUND		
Balance of fund	609,301	627,349
	$652,851	$688,589

The accompanying notes are an integral part of this financial statement.

Touche Ross

CORPORATION OF THE CITY OF CORNWALL

ONTARIO HOME RENEWAL PROGRAM
TRUST FUND

STATEMENT OF CONTINUITY
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986	1985
Balance of fund at the beginning of the year	$627,349	$ -
Receipts		
Transfer from reserve fund	-	646,747
Interest earned	31,372	31,063
	31,372	677,810
Expenditures		
Loan forgiveness	42,913	35,977
Management fees	5,867	13,613
Other	640	871
	49,420	50,461
Balance of fund at the end of the year	$609,301	$627,349

The accompanying notes are an integral part of this financial statement.

CORPORATION OF THE CITY OF CORNWALL

ONTARIO HOME RENEWAL PROGRAM
TRUST FUND

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1986

1. Accounting policy

The financial statements of the trust fund of the Corporation of the City of Cornwall are prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs.

The Ontario Home Renewal Program is administered by the City on behalf of the Province of Ontario. The funds are used to provide loans to qualifying ratepayers for the improvement of owner-occupied residences.

a. Basis of accounting

Receipts and expenditures are recorded using the accrual basis of accounting.

2. Parkland trust fund

Effective January 1, 1986 the Parkland trust fund is accounted for as a reserve fund. The balance of this fund at January 1, 1986 was $11,611. This amount has been transferred to the Municipality and the 1986 transactions for Parkland funds are reflected in the consolidated financial statements of the Municipality.

(All dollar amounts are in thousands of dollars, except per capita figures)

		1986	1985	1984	1983	1982	1981
1.	Population at the end of the year	46,425	45,980	46,680	46,170	46,445	46,158
2.	Area in acres at the end of the year	19,262	19,262	19,262	19,262	19,262	19,262
3.	Employees - continuous full time	450	449	447	445	460	448
	- part time	225	220	234	110	125	125
4.	Number of households	17,754	17,478	17,194	16,349	16,644	16,638
5.	Assessment						
	Taxable assessment upon which the year's rates of taxation were set						
	Residential and farm	$ 55,907	$55,844	$54,474	$53,262	$51,952	$51,679
	Commercial and industrial	31,532	30,360	29,494	30,512	31,254	31,076
	Business	13,924	13,378	13,392	13,988	14,531	14,540
	Total	$101,363	$99,582	$97,360	$97,762	$97,737	$97,295
	Per capita	$ 2,204	$ 2,166	$ 2,086	$ 2,117	$ 2,104	$ 2,108
	Commercial and industrial, and business as a percentage of taxable assessment	44.84%	43.92%	44.05%	45.51%	46.85%	46.88%
	Provincial equalization factor	8.49	10.65	10.78	11.09	11.10	12.85
6.	Rates of taxation						
	Residential and farm mill rate						
	for general municipal purposes	154.32	147.29	136.31	125.06	117.89	106.14
	for school board purposes	131.09	124.07	117.86	110.58	104.70	89.12
	Total	285.41	271.36	254.17	235.64	222.59	195.26
	Commercial and industrial mill rate						
	for general municipal purposes	181.55	173.28	160.36	147.14	138.70	124.87
	for school board purposes	154.22	145.97	138.66	130.10	123.18	104.85
	Total	335.77	319.25	299.02	277.24	261.88	229.72
7.	Revenue for general municipal services						
	Taxation	$ 22,807	$21,128	$19,140	$17,425	$16,296	$14,903
	Payments in lieu of taxes	3,541	3,359	3,227	3,086	2,946	2,550
	Ontario grants	11,101	11,321	11,075	10,584	10,037	8,906
	Other grants	7	13	16	6	9	12
	Fees and service charges	6,536	5,862	3,571	3,494	3,211	3,136
	Other	2,112	4,261	4,523	3,656	4,390	3,224
	Total	$ 46,104	$45,944	$41,552	$38,251	$36,889	$32,731
8.	Tax arrears - per capita	$ 21	$ 40	$ 36	$ 53	$ 59	$ 47
	- percentage of current levy	2.9%	5.9%	6.1%	9.3%	11.0%	9.9%
9.	Expenditure - general municipal	$ 45,412	$44,949	$41,066	$38,370	$36,734	$34,120
10.	Transfers to the school boards	$ 14,431	$13,451	$12,589	$11,721	$11,353	$10,233
11.	Net long term liabilities						
	General municipal liabilities	$ 24,647	$25,304	$21,888	$23,663	$25,092	$25,222
	- per capita	536	550	469	513	540	546
	- percentage of taxable assessment	24.3%	25.4%	22.5%	24.2%	25.7%	25.9%
	Municipal enterprises	$ 7,275	$ 7,679	$ 7,956	$ 8,544	$ 8,787	$ 9,458
12.	Charges for net long term liabilities						
	General municipal liabilities	$ 3,563	$ 3,098	$ 3,056	$ 2,998	$ 2,829	$ 2,771
	- per capita	77	67	65	65	61	60
	- as a mill rate	35.17	31.11	31.39	30.67	28.95	28.48
13.	Capital financing during the year						
	Contributions from own funds	$ 6,326	$ 1,691	$ 1,902	$ 1,945	$ 2,192	$ 2,063
	Long term liabilities incurred	2,140	5,415	0	0	1,490	2,403
	Ontario grants	2,161	2,003	724	691	989	492
	Other	80	123	40	543	1,025	765
	Total	$ 10,707	$ 9,232	$ 2,666	$ 3,179	$ 5,696	$ 5,723
14.	Capital expenditure during the year	$ 9,153	$ 6,529	$ 3,691	$ 5,169	$ 5,193	$ 5,854
15.	Accumulated net revenue (Deficit) at the end of the year	$ 1,298	$ 518	$ (482)	$ (952)	$ (896)	$(1,308)
16.	Reserves and reserve funds	$ 2,914	$ 6,923	$ 5,327	$ 2,262	$ 2,797	$ 3,815

Touche Ross

THE CORNWALL PUBLIC LIBRARY BOARD

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 1986

Touche Ross

AUDITORS' REPORT

The Members of The Cornwall Public Library Board,
Members of Council, Inhabitants and Ratepayers
of the Corporation of the City of Cornwall

We have examined the balance sheet of The Cornwall Public Library Board as at December 31, 1986 and the statement of operations and balance of fund for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board as at December 31, 1986 and the results of its operations for the year then ended in accordance with accounting principles disclosed in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Cornwall, Ontario
March 9, 1987

Chartered Accountants

Touche Ross

THE CORNWALL PUBLIC LIBRARY BOARD

BALANCE SHEET AS AT DECEMBER 31, 1986

	1986	1985
ASSETS		
Current		
Cash	$ 14,815	$ 23,040
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 5,829	$ 7,813
BALANCE OF FUND		
Operating	8,986	15,227
	$ 14,815	$ 23,040

On behalf of the Board:

. . . . . Director

. . . . . Director

See accompanying notes to financial statements.

Touche Ross

THE CORNWALL PUBLIC LIBRARY BOARD

STATEMENT OF OPERATIONS AND BALANCE OF FUND
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986 Budget	1986 Actual	1985 Actual
Operating revenue			
Municipal contribution	$ 486,000	$ 486,000	$ 440,000
Services sold to			
S. D. & G. County Library Board	639,572	639,572	581,902
Ministry of Citizenship and Culture	107,000	111,493	106,999
Ontario French Services grant	15,700	15,960	15,730
Federal Challenge grant	-	5,820	6,561
Fees and fines	40,000	35,793	35,926
Services as a resource library	23,000	24,474	23,309
Interest	-	654	898
Miscellaneous	8,000	290	75
Total revenue	1,319,272	1,320,056	1,211,400
Operating expenditure			
Salaries and wages	437,000	429,196	393,542
Fringe benefits	42,500	43,688	38,923
Books	104,700	110,260	103,874
Non-print materials	10,400	14,927	10,424
Library supplies	18,000	21,603	17,582
Expenditures on behalf of			
S. D. & G. County Library Board	639,572	639,572	581,902
Repairs	6,000	9,005	7,018
Utilities	24,000	22,449	19,212
Furniture and equipment	10,000	7,317	10,413
Administration	28,400	28,280	23,109
	1,320,572	1,326,297	1,205,999
Capital expenditure			
Alterations to branches	-	-	1,271
Total expenditure	1,320,572	1,326,297	1,207,270
Excess (deficiency) of revenue over expenditures	(1,300)	(6,241)	4,130
Balance of funds at the beginning of the year	15,227	15,227	11,097
Balance of fund at the end of the year	$ 13,927	$ 8,986	$ 15,227

See accompanying notes to financial statements.

THE CORNWALL PUBLIC LIBRARY BOARD

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1986

1. Accounting policies

The financial statements of the Cornwall Public Library Board are prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs. In these financial statements, these policies differ from generally accepted accounting principles in the following instance:

Fixed assets

The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the statement of operations and balance of fund in the year of acquisition.

2. Contracts

Under the terms of the contract effective January 1, 1971, The Cornwall Public Library Board sells all required services to the Stormont, Dundas and Glengarry County Library Board on a non-profit basis.

3. Liability for vested sick benefits

Under the sick leave benefit plan a portion of sick leave can accumulate and employees may become entitled to a cash payment when they leave the library's employment.

The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to approximately $23,000 (1985 - $20,500) at the end of the year. No provision has been made in the accounts for this liability.

Touche Ross

ASSOCIATION LE VILLAGE

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 1986

Touche Ross

AUDITORS' REPORT

To the Board of the Association Le Village,
Members of Council, Ratepayers and
Inhabitants of the Corporation of the City
of Cornwall

We have examined the balance sheet of the Association Le Village as at December 31, 1986 and the statement of operations and balance of fund for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Association Le Village as at December 31, 1986 and the results of its operations for the year then ended in accordance with accounting principles disclosed in the Note to the financial statements applied on a basis consistent with that of the preceding year.

Touche Ross & Co.

Cornwall, Ontario
February 27, 1987

Chartered Accountants

ASSOCIATION LE VILLAGE

Touche Ross

BALANCE SHEET AS AT DECEMBER 31, 1986

	1986	1985
ASSETS		
Cash	$ 17,500	$ 2,270
Term deposit	-	5,000
Accounts receivable	376	16,500
	$ 17,876	$ 23,770
LIABILITIES		
Accounts payable	$ 12,851	$ 4,738
Due to the City of Cornwall	-	5,300
	12,851	10,038
BALANCE OF FUND		
To be used to offset taxation	5,019	13,732
	$ 17,876	$ 23,770

See accompanying note to financial statements.

Touche Ross

ASSOCIATION LE VILLAGE

STATEMENT OF OPERATIONS AND BALANCE OF FUND
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986	1985
Operating revenue		
Taxation	$ 67,464	$ 67,049
Grants	6,346	1,592
Other	685	626
Total revenue	74,495	69,267
Operating expenditure		
Salary, wages and employee benefits	23,019	14,511
Promotion, maintenance and administration	53,301	36,804
Taxes written off	6,888	5,549
Total expenditure	83,208	56,863
(Deficiency) excess of revenue over expenditure	(8,713)	12,404
Balance of fund at the beginning of the year	13,732	1,328
Balance of fund at the end of the year	$ 5,019	$ 13,732

See accompanying notes to financial statements.

ASSOCIATION LE VILLAGE

NOTE TO FINANCIAL STATEMENTS
DECEMBER 31, 1986

Accounting policies

Association Le Village was established in 1976 under City of Cornwall By-Law no. 1974.

The financial statements of Association Le Village are prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs. In these financial statements, these policies differ from generally accepted accounting principles in the following instance:

Fixed assets

The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the statement of operations and balance of fund in the year of acquisition.

Touche Ross

DOWNTOWN BOARD OF MANAGEMENT

REPORT AND FINANCIAL STATEMENTS

DECEMBER 31, 1986

Touche Ross & Co.
Chartered Accountants
[illegible]
Telephone 613 932-5421

Touche Ross

AUDITORS' REPORT

To the Board of the Downtown Board of
Management and Members of Council,
Inhabitants and Ratepayers of the
Corporation of the City of Cornwall

We have examined the balance sheet of the Downtown Board of Management as at December 31, 1986 and the statement of operations and balance of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Board as at December 31, 1986 and the results of its operations for the year then ended in accordance with accounting principles disclosed in Note 1 to the financial statements on a basis consistent with that of the preceding year.

Touche Ross & Co

Cornwall, Ontario
February 17, 1987

Chartered Accountants

Touche R...

DOWNTOWN BOARD OF MANAGEMENT

BALANCE SHEET AS AT DECEMBER 31, 1986

	1986	1985
ASSETS		
Cash	$ 13,984	$ 14,552
Accounts receivable	480	585
Capital outlay to be recovered in future years	6,000	12,000
	$ 20,464	$ 27,137
LIABILITIES		
Accounts payable	$ 9,053	$ 5,774
Due to City of Cornwall	8,279	17,546
Long term debt	6,000	12,000
	23,332	35,320
BALANCE OF FUND		
To be recovered from taxation or user charges	(2,868)	(8,183)
	$ 20,464	$ 27,137

On behalf of the Board:

. . . . . Chairman

. . . . . Treasurer

See accompanying notes to financial statements.

DOWNTOWN BOARD OF MANAGEMENT

STATEMENT OF OPERATIONS AND BALANCE OF FUND
FOR THE YEAR ENDED DECEMBER 31, 1986

	1986	1985
Operating revenue		
Taxation	$139,739	$134,890
Grants	15,579	12,670
User charges	19,951	-
Other	480	1,097
Total revenue	175,749	148,657
Operating expenditure		
Salaries, wages and benefits	41,962	41,436
Promotion, maintenance and administration	98,736	95,860
Taxes written off	18,314	5,200
Total operating expenditure	160,212	141,696
Capital expenditure	10,222	-
Total expenditure	170,434	141,696
Excess of revenue over expenditure	5,315	6,961
Balance of fund at the beginning of the year	(8,183)	(15,144)
Balance of fund at the end of the year	$ (2,868)	$ (8,183)

See accompanying notes to financial statements.

DOWNTOWN BOARD OF MANAGEMENT

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1986

1. Accounting policies

The Downtown Board of Management was established by the City of Cornwall under By-law 157 passed by Council on November 26, 1979.

The financial statements of the Downtown Board of Management are prepared in accordance with policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs. These policies differ from generally accepted accounting principles for the Downtown Board of Management in the following instances:

Fixed assets

The historical cost and accumulated depreciation of fixed assets are not reported for municipal purposes. Fixed assets are reported as an expenditure on the statement of operations and balance of fund in the year of acquisition.

Capital outlay to be recovered in future years

Capital outlay to be recovered in future years which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures is reported on the balance sheet.

2. Long term debt

The debt outstanding is repayable to the City of Cornwall. Annual principal repayments are $6,000 and the debt bears interest of 10% per annum.

CORPORATION OF THE CITY OF CORNWALL

WATER SUPPLY SYSTEM

FINANCIAL STATEMENT

DECEMBER 31, 1986

CITY OF CORNWALL

WATER SUPPLY SYSTEM

BALANCE SHEET
as at December 31, 1986

ASSETS

	1986	1985
Current Assets		
Accounts Receivable	$ 230,605	$ 218,854
Inventory	78,856	90,436
Receivable from own Municipality	1,138,079	349,591
	1,447,540	658,881
Capital Outlay to be Recovered in Future Years	1,889,341	1,924,183
	$3,336,881	$2,583,064

LIABILITIES

Current Liabilities		
Accounts Payable	$ 39,138	$ 30,446
Deferred Revenue	419,331	340,093
	458,469	370,539
Long Term Debt	1,889,341	1,924,183
	2,347,810	2,294,722

BALANCE OF FUNDS

Operating	900,233	187,924
Capital	9,982	9,982
Reserves	78,856	90,436
	989,071	288,342
	$3,336,881	$2,583,064

CITY OF CORNWALL

WATER SUPPLY SYSTEM

STATEMENT OF REVENUE AND EXPENDITURES
for the year ended December 31, 1986

Revenue		
Sale of Water	$3,391,094	$3,168,256
Contribution from Reserves	11,580	----
Other	46,064	45,346
	3,448,738	3,213,602
Expenditures		
Administration	479,829	614,754
Distribution	718,424	669,040
Purification	739,196	654,419
Debt Charges	738,980	659,833
Contribution to Capital Fund	60,000	----
	2,736,429	2,598,046
Net Revenue	712,309	615,556
Balance of Funds at the Beginning of the Year	187,924	(427,632)
Balance of Operating Funds at the End of the Year	$ 900,233	$ 187,924

THE CORPORATION OF THE CITY OF CORNWALL

TRANSIT SYSTEM

FINANCIAL STATEMENT

DECEMBER 31, 1986

CITY OF CORNWALL

TRANSIT SYSTEM

BALANCE SHEET
as at December 31, 1986

ASSETS

	1986	1985
Current Assets		
Accounts Receivable	$180,032	$ 74,825
Inventory	188,016	175,517
	368,048	250,342
Capital Outlay to be Recovered in Future Years	43,178	82,743
	$411,226	$333,085

LIABILITIES

Current Liabilities		
Accounts Payable	$ 54,017	$116,778
Payable to own Municipality	129,563	133,564
	183,580	250,342
Long Term Debt	43,178	82,743
	226,758	333,085

BALANCE OF FUNDS

Capital	184,468	NIL
	$411,226	$333,085

CITY OF CORNWALL

TRANSIT SYSTEM

STATEMENT OF REVENUE AND EXPENDITURES
for the year ended December 31, 1986

	1986	1985
Revenue		
Regular Passenger Service	$ 670,947	$ 689,463
Contracted Service	489,112	493,900
Other	792,094	668,342
	1,952,153	1,851,705
Expenditures		
Transportation	$ 1,532,105	$ 1,513,054
Fuel	221,677	256,323
Equipment & Vehicle Maintenance	605,399	532,952
Plant & Premises	229,865	222,198
General Administration	546,263	626,286
Miscellaneous	19,326	24,215
Debt Charges	47,012	46,922
	3,201,647	3,221,950
Excess of Expenditures over Revenue	$(1,249,494)	$(1,370,245)
Financed by:		
Ministry of Transportation & Communications	$ 623,828	$ 649,587
General Revenue - City of Cornwall	625,666	720,658
	$ 1,249,494	$ 1,370,245

1986 FINANCIAL INFORMATION RETURN

MUNICIPALITY: CITY of CORNWALL

in the ~~Region~~ County ~~or District~~ of: STORMONT

DECLARATION OF THE MUNICIPAL TREASURER

Pursuant to the determination of grants under the Ontario Unconditional Grants Act, and to the information required by the Province under the Municipal Affairs Act, the following schedules are attached:

		Attached
1	Analysis of Revenue Fund Revenues	x
2LT	Analysis of Taxation	x
2UT	Analysis of Upper Tier Requisitions and Direct Charges	—
2MA	Analysis of Taxation in Merged Areas	—
3	Analysis of Current Revenue for Specific Functions	x
4	Analysis of Revenue Fund Expenditures	x
5	Analysis of Capital Operations	x
6	Analysis of Capital Grants and Own Expenditures	x
7	Analysis of Net Long Term Liabilities By Function	x
8	Anaiysis of Long Term Liabilities and Commitments	x
9LT	Continuity of Upper Tier and School Board Levies	x
10	Continuity of Reserves and Reserve Funds	x
11	Analysis of Consolidated Year End Balances	x
12	Statistical Data	x
13	Grant Information	x
14	Grant Information	—

The schedules have been drawn up in accordance with the instructions provided by the Ministry of Municipal Affairs. They represent the consolidated financial activities of the municipality, all local boards, including joint boards where applicable and any other local corporate entities set up by the municipality to provide services to ratepayers. The consolidated local boards and entities are:

Cornwall Water Supply System
Cornwall Transit System
*. Cornwall Public Library Board
*. Le Village
*. Downtown Board of Management

*. The financial results of the Cornwall Public Library Board, Le Village, and Downtown Board of Management have been provided by the Treasurer of these entities and have not been verified by the undersigned. However, these financial results have been verified by Messrs. Touche Ross & Co., auditors of the Municipality of the City of Cornwall.

Trust funds administered by the municipality and its local boards, harbour commissions, humane societies, municipal non-profit housing corporations, provincial-municipal housing authorities, sinking funds, retirement or pension plan funds, school boards, conservation authorities, children's aid societies, district health councils, municipal hospitals and gas, telephone and hydro utilities are not consolidated.

The schedules have been prepared by City of Cornwall
(Auditor's firm or name of Municipality)

Questions regarding the information contained in them should be addressed to Frank Lyonnais

Comptroller, City of Cornwall at (613) 932-6252
(Area code and telephone)

Date April 30 1987 K. McDonald
Municipal Treasurer

ACCOUNTANT'S COMMENTS

Municipality

CITY OF CORNWALL

To the Ministry of Municipal Affairs

Our examination of the financial statements of the Corporation of the City of Cornwall for the year ended December 31, 1986, was made for the purpose of forming an opinion on the financial statements referred to in our Auditor's Report to His Worship the Mayor, Members of Council, Inhabitants and Ratepayers dated April 14, 1987.

At your request, we have performed the following procedures in connection with Schedules 1 to 11 of the Financial Information Return of the Corporation of the City of Cornwall for the year ended December 31, 1986:

a) we have compared the amounts disclosed on these statements to the books and records of the City and found them to be in agreement;

b) we have added and cross-added all schedules; and

c) we have cross-referenced the information on the schedules where applicable.

The above-noted schedules have not been subjected to the auditing procedures applied in the examination of the financial statements and accordingly we do not express an opinion on the fair presentation of this information.

Touche Ross & Co.

Cornwall, Ontario
April 14, 1987

Chartered Accountants
Licence No. 1239

ANALYSIS OF REVENUE FUND REVENUES

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

1
3

		total revenue	upper tier purposes	school board purposes	own purposes
		Note: Upper tiers use column 4 only			
		1 $	2 $	3 $	4 $
Taxation					
Taxation from schedule 2LT (or requisitions from schedule 2UT)	1	32,950,772		14,769,782	18,180,990
Direct water billings on ratepayers — own municipality	2	3,391,094			3,391,094
— other municipalities	3				
Sewer surcharge on direct water billings — own municipality	4	1,234,965			1,234,965
— other municipalities	5				
Subtotal	6	37,576,831		14,769,782	22,807,049
Payments in lieu of taxes					
Canada	7	2,070,247			2,070,247
Canada enterprises	8	231,465			231,465
Ontario					
The Municipal Tax Assistance Act	9	25,624			25,624
The Municipal Act, section 160	10				
Other	11				
Ontario enterprises					
Ontario Housing Corporation	12	727,242		327,699	399,543
Ontario Hydro	13	409,420			409,420
Liquor Control Board of Ontario	14	15,919			15,919
Other	15	125,066			125,066
Municipal enterprises	16	263,422			263,422
Other municipalities and enterprises	17				
Subtotal	18	3,868,405		327,699	3,540,706
Ontario unconditional grants					
Per household general	19	524,340			524,340
Per household police	20	873,900			873,900
Per household density	21				
Transitional and special assistance	22				
Resource equalization	23	631,322			631,322
General support	24	1,589,804			1,589,804
Northern special support	25				
Apportionment guarantee	26				
Revenue guarantee	27	1,778,553			1,778,553
Subtotal	28	5,397,919			5,397,919
Revenues for specific functions					
Ontario specific grants	29	5,702,983			5,702,983
Canada specific grants	30				
Other municipalities—grants and fees	31	7,600			7,600
Fees, service charges and donations	32	6,536,193			6,536,193
Subtotal	33	12,246,776			12,246,776
Other revenue					
Trailer revenue and licences	34				
Licences and permits	35	268,180			268,180
Fines	37	10,229			10,229
Penalties and interest on taxes	38	320,373			320,373
Investment income—from own funds	39				
—other	40	832,733			832,733
Sale of publications, equipment, etc.	42				
Contributions from capital fund	43				
Contributions from reserves and reserve funds	44	211,455			211,455
Contributions from non consolidated entities	45				
M.O.E. Consumption Withheld	46	312,821			312,821
	47				
	48				
Sale of land	49	155,914			155,914
Subtotal	50	2,111,705			2,111,705
Total revenue	51	61,201,636		15,097,481	46,104,155

ANALYSIS OF TAXATION

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

2LT 4

	for computer use only	LOCAL TAXABLE ASSESSMENT			MILL RATES		TAXES LEVIED			SUPPLEMENTARY TAXES			TOTAL TAXES
		residential and farm	commercial and industrial	business	residential and farm	commercial industrial and business	residential and farm	commercial and industrial	business	residential and farm	commercial and industrial	business	total columns 6 to 11
		1 $	2 $	3 $		5	6 $	7 $	8 $	9 $	10 $	11 $	12 $
I. Own purposes													
(a) Levied by mill rate													
General	010	55,907,174	31,531,722	13,923,755	154.32	181.55	8,627,595	5,724,584	2,527,858	118,349	67,056	110,972	17,176,414
police villages at reduced rates	012												
farms at reduced rates	013												
	011												
	011												
	011												
Special area rates and police villages													
	011												
	011												
	011												
	011												
	011												
	011												
Subtotal levied by mill rate 1							8,627,595	5,724,584	2,527,858	118,349	67,056	110,972	17,176,414
(b) Other charges on tax bills — Share of telephone and telegraph taxation	01210					2		433,140					433,140
Local improvements	01220							324,087					324,087
Sewer and water service charges	01230												
Sewer and water connection charges	01240												
Fire service charges	01250												
Minimum tax (differential only)	01260												
Municipal drainage charges	01270												
Garbage collection charges	01280												
Business improvement area	01290								247,349				247,349
	01300												
Subtotal special charges on tax bills						3			247,349				1,004,576
Total own purposes taxation	01320					4	8,627,595	6,481,811	2,775,207	118,349	67,056	110,972	18,180,990
II. Upper tier purposes													
(a) Levied by mill rate													
General	02010												
Special purposes													
	022												
	022												
	022												
	022												
	022												
Subtotal levied by mill rate 5													
(b) Other charges on tax bills — Share of telephone and telegraph taxation	02210					6							
Local improvements	02220												
Sewer and water service charges	02230												
Sewer and water connection charges	02240												
Fire service charges	02250												
	02300												
Subtotal special charges on tax bills						7							
Total upper tier taxation	02320					8							
III. School board purposes													
Elementary public													
	03010	23,156,952	26,995,993	12,327,175	72.58	85.39	1,680,732	2,305,188	1,052,617	25,348	17,797	40,676	5,122,358
	03011												
Share of telephone and telegraph taxation	03210					9		170,724					170,724
Subtotal elementary public						10	1,680,732	2,475,912	1,052,617	25,348	17,797	40,676	5,293,082
Elementary separate													
	04010	32,750,222	4,535,729	1,596,580	68.66	80.78	2,248,630	366,396	128,972	28,642	12,998	10,857	2,796,495
	04011												
Subtotal elementary separate						11	2,248,630	366,396	128,972	28,642	12,998	10,857	2,796,495
Secondary													
	05010	55,907,174	31,531,722	13,923,755	58.51	68.83	3,271,129	2,170,328	958,372	44,910	25,428	42,092	6,512,259
	05011												
Share of telephone and telegraph taxation	05210					12		167,946					167,946
Subtotal secondary						13	3,271,129	2,338,274	958,372	44,910	25,428	42,092	6,680,205
Total all school board taxation	06320					14	7,200,491	5,180,582	2,139,961	98,900	56,223	93,625	14,769,782

ANALYSIS OF CURRENT REVENUE FOR SPECIFIC FUNCTIONS

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

3
7

		Ontario specific grants 1 $	Canada grants 2 $	other municipalities - grants, fees, and service charges 3 $	fees, service charges and donations 4 $
General government	1				475,667
Protection to persons and property					
Fire	2				11,840
Police	3				103,726
Conservation authority	4				
Protective inspection and control	5				645
	6				
Subtotal	7				116,211
Transportation services					
Roadways	8	967,742			1,301,679
Winter control	9	156,369			
Transit	10	623,828		7,600	1,944,522
Parking	11				283,513
Street lighting	12				4,520
Air transportation	13				
. Marina 200	14				99,124
Subtotal	15	1,747,939		7,600	3,633,378
Environmental services					
Sanitary sewer system	16				37,662
Storm sewer system	17				
Waterworks system	18				46,064
Garbage collection	19				
Garbage disposal	20				9,356
Pollution control	21				
. Sewage Treatment	22				5,410
Subtotal	23				98,492
Health services					
Public health services	24				
Public health inspections and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				
	29				
Subtotal	30				
Social and family services					
General assistance	31	3,682,774			67,973
Assistance to aged persons	32				3,497
Assistance to children	33				
Day nurseries	34	256,570			30,800
	35				
Subtotal	36	3,939,344			102,270
Recreation and cultural services					
Parks and recreation	37	15,700			989,150
Libraries	38				834,056
Other cultural	39				
Subtotal	40	15,700			1,823,206
Planning and development					
Planning and zoning	41				38,897
Commercial and industrial	42				237,316
Residential development	43				10,756
Agriculture and reforestation	44				
Tile drainage/shoreline assistance	45				
	46				
Subtotal	47				286,969
Electricity	48				
Gas	49				
Telephone	50				
Total	51	5,702,983		7,600	6,536,193

ANALYSIS OF REVENUE FUND EXPENDITURES

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

4

		1 salaries, wages and employee benefits $	2 net long term debt charges $	3 materials, services, rents and financial expenses $	4 transfers to own funds $	5 other transfers $	6 inter-functional transfers $	7 total expenditure $	
General government	1	1,640,064	33,028	1,484,274	790,561	107,809		4,055,736	1
Protection to persons and property									
Fire	2	2,677,801	72,927	184,346		5,505		2,940,579	2
Police	3	4,616,621		534,057	583			5,151,261	3
Conservation authority	4					188,487		188,487	4
Protective inspection and control	5	293,593		41,850				335,443	5
	6								6
Subtotal	7	7,588,015	72,927	760,253	583	193,992		8,615,770	7
Transportation services									
Roadways	8	2,271,500	1,097,866	2,610,753	1,371,981	89,400		7,441,500	8
Winter control	9	219,009		421,848	78,803			719,660	9
Transit	10	1,552,458	47,012	1,581,108	21,068			3,201,646	10
Parking	11	74,288		117,963	71,949	17,226		281,426	11
Street lighting	12			515,183				515,183	12
Air transportation	13					22,738		22,738	13
Marina 200	14	34,522		77,738				112,260	14
Subtotal	15	4,151,777	1,144,878	5,324,593	1,543,801	129,364		12,294,413	15
Environmental services									
Sanitary sewer system	16	190,633	1,743,212	1,646,295				3,580,140	16
Storm sewer system	17								17
Waterworks system	18	742,575	738,980	1,194,874	60,000			2,736,429	18
Garbage collection	19			467,802				467,802	19
Garbage disposal	20	107,056	203,678	422,504				733,238	20
Pollution control	21	50,890		24,480				75,370	21
	22								22
Subtotal	23	1,091,154	2,685,870	3,755,955	60,000			7,592,979	23
Health services									
Public health services	24		2,644			226,916		229,560	24
Public health and control	25								25
Hospitals	26								26
Ambulance services	27								27
Cemeteries	28								28
	29								29
Subtotal	30		2,644			226,916		229,560	30
Social and family services									
General assistance	31	601,844		138,706		4,186,200		4,926,750	31
Assistance to aged persons	32					195,830		195,830	32
Assistance to children	33					239,989		239,989	33
Day nurseries	34	278,010		70,772				348,782	34
	35								35
Subtotal	36	879,854		209,478		4,622,019		5,711,351	36
Recreation and cultural services									
Parks and recreation	37	2,036,345	130,850	1,262,033	71,002	245,251		3,745,481	37
Libraries	38	472,884		853,413				1,326,297	38
Other cultural	39	8,834		5,035		58,644		72,513	39
Subtotal	40	2,518,063	130,850	2,120,481	71,002	303,895		5,144,291	40
Planning and development									
Planning and zoning	41	311,894		28,989				340,883	41
Commercial and industrial	42	231,349	477,802	533,009	17,422	140,038		1,399,620	42
Residential development	43		18,123		9,756			27,879	43
Agriculture and reforestation	44								44
Tile drainage/shoreline assistance	45								45
	46								46
Subtotal	47	543,243	495,925	561,998	27,178	140,038		1,768,382	47
Electricity	48								48
Gas	49								49
Telephone	50								50
Total	51	18,412,170	4,566,122	14,217,032	2,493,125	5,724,033		45,412,482	51

		$
Total of column 2 includes:		
Payments to Ontario in respect of Downtown Revitalization Program loans	81	257,884
Accrued interest (enter an amount only if the change to the accrual basis was made in this reporting year)	82	
Interest portion of transit debt charges included on line 10	83	7,447
Total of column 3 includes:		
Ministry of the Environment		
Provincial projects service charges —water	52	
—sewer	53	1,204,568
Provincial projects frontage and connection charges—water	57	
—sewer	58	
Joint projects operating charges —water	54	
—sewer	55	
O.P.P. policing contracts	56	
Short term interest costs	60	2,513
Total of column 5 includes:		
Grants to charitable and non-profit organizations	62	107,809
Grants to universities and colleges	63	
Contributions to UNCONSOLIDATED joint local boards		
Health unit	64	226,916
District welfare board	65	
Home for the aged	66	195,830
Recreation board(s)	67	
Fire area board	68	
Suburban roads commission	69	89,400
	70	
	71	
Line 1 of column 7 includes:		
Members of council	72	146,232
Line 51 of column 7 includes:		
Payments in respect of long term commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board. Exclude debt charges reported in column 2.	73	45,600

ANALYSIS OF CAPITAL OPERATIONS

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

5
9

		1 $
Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year	1	(2,020,585)
Sources of financing		
Contributions from own funds		
Revenue fund	2	1,581,360
Reserves and reserve funds	3	4,744,632
Subtotal	4	6,325,992
Long term liabilities incurred		
Central Mortgage and Housing Corporation	5	
Ontario Municipal Improvement Corporation	7	
Commercial Area Improvement Program	9	
Other Ontario housing programs	10	
Ministry of the Environment	11	
Tile drainage and shoreline property assistance programs	12	
The Public		
Serial debentures	13	2,139,752
Sinking fund debentures	14	
.	15	
.	16	
.	17	
Subtotal*	18	2,139,752
Grants and loan forgiveness		
Ontario	20	2,156,980
Canada	21	4,278
Other municipalities	22	
Subtotal	23	2,161,258
Other financing		
Prepaid special charges	24	
Proceeds from sale of fixed assets	25	
Investment income		
From own funds	26	
Other	27	
Donations	28	80,305
.	30	
.	31	
Subtotal	32	80,305
Total sources of financing	33	10,707,307
Applications		
Own expenditures		
Short term interest costs	34	
Other	35	9,153,478
Subtotal	36	9,153,478
Transfers of proceeds from long term liabilities to:		
Other municipalities	37	
Unconsolidated local boards	38	
Individuals	39	
Subtotal	40	
Transfers to reserves, reserve funds and the revenue fund	41	
Total applications	42	9,153,478
Unfinanced capital outlay (Unexpended capital financing) at the end of the year	43	(3,574,414)
Amount reported in line 43 analysed as follows:		
Unapplied capital receipts	44	(3,634,216)
To be recovered from:		
—taxation or user charges within term of council	45	
—proceeds from long term liabilities	46	
—transfers from reserves and reserve funds	47	
—other (specify) Work in Process	48	59,802
Total unfinanced capital outlay (unexpended capital financing)	49	(3,574,414)
*amount in line 18 raised on behalf of other municipalities	19	

ANALYSIS OF CAPITAL GRANTS AND OWN EXPENDITURES

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

6
10

		CAPITAL GRANTS			TOTAL OWN EXPENDITURES
		Ontario grants	Canada grants	Other municipalities	
		1 $	2 $	3 $	4 $
General government	1				63,875
Protection to persons and property					
Fire	2				63,647
Police	3				25,547
Conservation authority	4				
Protective inspection and control	5				
.	6				
Subtotal	7				89,194
Transportation services					
Roadways	8	659,521			2,473,082
Winter control	9				
Transit	10				
Parking	11				
Street lighting	12	9,508			36,870
Air transportation	13				
.	14				
Subtotal	15	669,029			2,509,952
Environmental services					
Sanitary sewer system	16	15,400			182,822
Storm sewer system	17	53,000			107,398
Waterworks system	18				41,944
Garbage collection	19				
Garbage disposal	20	7,000			476,022
Pollution control	21	1,400,551			5,472,467
.	22				
Subtotal	23	1,475,951			6,280,653
Health services					
Public health services	24				
Public health inspections and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				
.	29				
Subtotal	30				
Social and family services					
General assistance	31				1,886
Assistance to aged persons	32				
Assistance to children	33				
Day nurseries	34				
.	35				
Subtotal	36				1,886
Recreation and cultural services					
Parks and recreation	37		4,278		141,050
Libraries	38				
Other cultural	39				
Subtotal	40		4,278		141,050
Planning and development					
Planning and zoning	41				
Commercial and industrial	42	12,000			66,868
Residential development	43				
Agriculture and reforestation	44				
Tile drainage/shoreline assistance	45				
.	46				
Subtotal	47	12,000			66,868
Electricity	48				
Gas	49				
Telephone	50				
Total	51	2,156,980	4,278		9,151,478

ANALYSIS OF NET LONG TERM LIABILITIES BY FUNCTION

as at December 31, 1986

Municipality: CITY OF CORNWALL

7
11

			1 $
General government		1	131,229
Protection to persons and property			
Fire		2	339,402
Police		3	
Conservation authority		4	
Protective inspection and control		5	
.		6	
	Subtotal	7	339,402
Transportation services			
Roadways		8	5,616,330
Winter control		9	
Transit		10	43,178
Parking		11	
Street lighting		12	
Air transportation		13	
.		14	
	Subtotal	15	5,659,508
Environmental services			
Sanitary sewer system		16	3,607,669
Storm sewer system		17	1,110,327
Waterworks system		18	1,889,321
Garbage collection		19	
Garbage disposal		20	1,572,940
Pollution control		21	1,489,055
.		22	
	Subtotal	23	9,669,312
Health services			
Public health services		24	528,941
Public health inspections and control		25	
Hospitals		26	
Ambulance services		27	
Cemeteries		28	
.		29	
	Subtotal	30	528,941
Social and family services			
General assistance		31	
Assistance to aged persons		32	
Assistance to children		33	
Day nurseries		34	
.		35	
	Subtotal	36	
Recreation and cultural services			
Parks and recreation		37	177,012
Libraries		38	
Other cultural		39	
	Subtotal	40	177,012
Planning and development			
Planning and zoning		41	
Commercial and industrial		42	10,454,179
Residential development		43	105,261
Agriculture and reforestation		44	
Tile drainage/shoreline assistance		45	
.		46	
	Subtotal	47	10,559,440
Electricity		48	4,857,234
Gas		49	
Telephone		50	
	Total	51	31,922,078

ANALYSIS OF LONG TERM LIABILITIES AND COMMITMENTS

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

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		1 $
1. Calculation of debt burden of the municipality		
All debt issued by the municipality, predecessor municipalities and consolidated entities		
: To Ontario and agencies	1	13,460,132
: To Canada and agencies	2	793,744
: To other	3	20,893,079
Subtotal	4	35,146,955
Plus: All debt assumed by the municipality from others	5	
Less: All debt assumed by others		
: Ontario	6	
: Schoolboards	7	
: Other municipalities	8	
Subtotal	9	
Less: Ministry of the Environment debt retirement funds		
—sewer	10	3,224,877
—water	11	
Own sinking funds (actual balances)		
—general municipal	12	
—enterprises and other	13	
Subtotal	14	3,224,877
Total	15	31,922,078
Sinking fund debentures	16	4,994,370
Installment (serial) debentures	17	20,810,318
Long term bank loans	18	
Lease purchase agreements	19	827,624
Mortgages	20	
Ministry of the Environment	22	
. Downtown Revitalization	23	8,367,434
. C.A.I.P. Loan	24	147,209
		$
2. Total debt payable in foreign currencies (net of sinking fund holdings)		
U.S. dollars—Canadian dollar equivalent included in line 15 above	25	6,367,751
—par value of this amount in U.S. dollars	26	5,476,090
Other —Canadian dollar equivalent included in line 15 above	27	
—par value of this amount in _____	28	
		$
3. Interest earned on sinking funds and debt retirement funds during the year		
Own funds	29	
Ministry of the Environment—sewer	30	322,152
—water	31	
		$
4. Actuarial balance of own sinking funds at year end	32	
		$
5. Long term commitments and contingencies at year end		
Total liability for accumulated sick pay credits	33	1,991,918
Total liability under OMERS plans		
—initial unfunded (payable over____years) (number of employees____)	34	647,429
—actuarial deficiency (payable over____years)	35	
Total liability for own pension funds		
—initial unfunded (payable over____years) (number of employees____)	36	
—actuarial deficiency (payable over____years)	37	
Outstanding loans guaranteed (payable over____years)	38	
Commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board		
—hospital support	39	
—university support	40	
—leases and other agreements	41	
Other (specify) .	42	
.	43	
.	44	
Total	45	2,639,347

6. Ministry of the Environment Provincial Projects

		accumulated surplus (deficit) 1 $	total outstanding capital obligation 2 $	debt charges 3 $
Water projects —for this municipality only	46			
—share of integrated project(s)	47			
Sewer projects —for this municipality only	48	196,323	4,252,768	358,165
—share of integrated project(s)	49			

7. 1986 Debt Charges

		principal 1 $	interest 2 $
Recovered from the consolidated revenue fund			
—general tax rates	50	1,553,371	2,009,226
—special area rates and special charges	51		
—benefitting landowners	52	161,924	102,621
—user rates (consolidated entities)	53	480,638	249,342
Recovered from reserve funds	54		
Recovered from unconsolidated entities			
—hydro	55	211,402	605,867
—gas and telephone	57		
— Health Unit	56	66,697	106,592
—	58		
—	59		
Total	78	2,483,032	3,073,648

8. Future principal and interest payments on existing net debt

		recoverable from the consolidated revenue fund principal 1 $	recoverable from the consolidated revenue fund interest 2 $	recoverable from reserve funds principal 3 $	recoverable from reserve funds interest 4 $	recoverable from unconsolidated entities principal 5 $	recoverable from unconsolidated entities interest 6 $
1987	60	2,488,371	1,781,194			308,289	653,558
1988	61	2,257,634	1,590,905			344,130	617,400
1989	62	2,186,135	1,361,402			384,126	578,620
1990	63	2,315,609	1,106,919			428,103	530,726
1991	64	1,406,600	776,260			478,404	479,154
1992-1996	65	5,200,800	1,735,130			2,228,106	1,699,385
1997 onwards	79	484,165	67,359			1,215,019	337,932
Interest to be earned on sinking funds*	69	1,769,493					
Downtown revitalization program	70	8,367,434					
Total	71	26,535,901	8,359,169			5,386,177	4,894,775

*includes interest to be earned on Ministry of the Environment debt retirement funds

9. Future principal payments on expected new debt

		1 $
1987	72	
1988	73	220,000
1989	74	420,000
1990	75	600,000
1991	76	760,000
Total	77	2,000,000

10. Other notes (attach supporting schedule as required)

CONTINUITY OF UPPER TIER AND SCHOOL BOARD LEVIES

for the year ended December 31, 1986

CITY OF CORNWALL

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UPPER TIER

		balance at beginning of year	amounts requisitioned	supplementary taxes	total expended	amount levied	telephone and telegraph taxation	share of Provincial grants	share of payments in lieu of taxes	other	total raised	balance at end of year	
		1 $	2 $	3 $	4 $	5 $	6 $	8 $	9 $	10 $	12 $	11 $	
Included in general mill rate for upper tier purposes													
General requisition	1												
Special purpose requisitions													
Water rate	2												
Transit rate	3												
Sewer rate	4												
Library rate	5												
Road rate	6												
.	7												
.	8												
.	9												
.	10												
Sub total levied by mill rate—general	11												11
Special purpose requisitions													
Water	12												
Transit	13												
Sewer	14												
Library	15												
.	16												
.	17												
Sub total levied by mill rate—special areas	18												18
Special charges	19												19
Direct water billings	20												20
Sewer surcharge on direct water billings	21												21
Total region or county	22												22

SCHOOL BOARDS

		balance at beginning of year	amounts requisitioned	supplementary taxes	pupils' fees, share of trailer licences	total expended	amount levied	telephone and telegraph taxation	share of payments in lieu of taxes	pupils' fees, share of trailer licences	total raised	balance at end of year
		1 $	2 $	3 $	4 $	5 $	6 $	7 $	8 $	9 $	10 $	11 $
Elementary public	23	(21,531)	5,229,803	83,821		5,313,624	5,122,358	170,724	59,524		5,352,606	17,451
.	24											
.	25											
.	26											
.	27											
Elementary separate	28	53,719	2,843,443	52,497		2,895,940	2,796,495		118,881		2,915,376	73,155
.	29											
.	30											
.	31											
Secondary	32	64,580	6,686,759	112,428		6,799,187	6,512,259	167,946	149,294		6,829,499	94,892
.	33											
.	34											
.	35											
Total school boards	36	96,768	14,760,005	248,746		15,008,751	14,431,112	338,670	327,699		15,097,481	185,498

CONTINUITY OF RESERVES AND RESERVE FUNDS

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

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			1 $
Balance at beginning of year		1	6,922,561
Revenues			
Contributions from revenue fund		2	911,765
Contributions from capital fund		3	
Lot levies and subdivider contributions		60	
Recreational land (the Planning Act)		61	
Investment income—from own funds		5	24,514
—other		6	
. Contribution from Trust Fund (Recreational Land)		9	11,612
.		10	
.		11	
.		12	
	Total revenue	13	947,891
Expenditures			
Transferred to capital fund		14	4,744,632
Transferred to revenue fund		15	211,455
Charges for long term liabilities—principal and interest		16	
.		63	
.		20	
.		21	
	Total expenditure	22	4,956,087
Balance at end of year for:			
Reserves		23	2,763,350
Reserve Funds		24	151,015
	Total	25	2,914,365
analysed as follows:			
Working funds		26	403,379
Contingencies		27	
Ministry of the Environment fund for renewals, etc.			
—sewer		28	753,631
—water		29	
Replacement of equipment		30	11,207
Sick leave		31	
Insurance		32	9,228
Workmen's compensation		33	
Capital expenditure—general administration		34	118,344
—roads		35	263,004
—sanitary and storm sewers		36	
—parks and recreation		64	24,000
—library		65	
—other cultural		66	1,447
—water		38	
—transit		39	
—housing		40	
—industrial development		41	
—other and unspecified		42	104,293
Lot levies and subdivider contributions		44	
Recreational land (the Planning Act)		46	28,876
Parking revenues		45	122,139
Debenture repayment		47	
Exchange rate stabilization		48	
Waterworks current purposes		49	
Transit current purposes		50	
Library current purposes		51	
. Inventories		52	1,074,817
.		53	
.		54	
.		55	
.		56	
.		57	
	Total	58	2,914,365

ANALYSIS OF CONSOLIDATED YEAR END BALANCES
as at December 31, 1986

Municipality: CITY OF CORNWALL

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		1 $	2 $
ASSETS			portion of cash not in chartered banks
Current assets			
Cash	1	1,731,449	
Accounts receivable			
Canada	2	64,944	
Ontario	3	2,345,977	
Region or county	4		
Other municipalities	5		
School boards	6		
Waterworks	7		portion of taxes receivable for business taxes
Other (including unorganized areas)	8	222,374	
		423,558	
Taxes receivable			
Current year's levies	9	656,897	95,965
Previous year's levies	10	163,935	43,080
Prior years' levies	11	125,735	99,937
Penalties and interest	12	127,186	69,666
Less allowance for uncollectables	13	(105,297)	(105,297)
Investments (market value $			
Canada	14		
Provincial	15		
Municipal	16		
Other	17	3,975,740	portion of line 20 for tax sale/tax registration
Other current assets	18	1,141,555	
Capital outlay to be recovered in future years	19	31,922,078	
Other long term assets	20	281,146	281,146
Total	21	43,077,277	
LIABILITIES			portion of loans not from chartered banks
Current liabilities			
Temporary loans—current purposes	22		
—capital—Ontario	23		
—Canada	24		
—Other	25		
Accounts payable and accrued liabilities			
Canada	26	1,527	
Ontario	27	3,750	
Region or county	28		
Other municipalities	29		
School boards	30	146,968	
Trade accounts payable	31	1,763,486	
Other	32	906,808	
Other current liabilities	33	545,918	
Net long term liabilities			
Recoverable from the Consolidated Revenue Fund			
—general tax rates	34	23,528,059	
—special area rates and special charges	35		
—benefitting landowners	36	1,118,501	
—user rates (consolidated entities)	37	1,889,341	
Recoverable from Reserve Funds	38		
Recoverable from unconsolidated entities	39	5,386,177	
Less: Own holdings	40	( )	
Reserves and reserve funds	41	2,914,365	
Accumulated net revenue (deficit)			
General revenue	42	23,923	
Special charges and special areas (specify)			
. Local Improvements	43	175,172	
. Le Village	44	5,019	
. B.I.A. (Downtown Board of Management)	45	(2,868)	
.	46		
Consolidated local boards (specify)			
Transit operations	47		
Water operations	48	900,233	
Libraries	49	8,986	
Cemeteries	50		
Recreation, community centres and arenas	51		
.	52		
.	53		
.	54		
.	55		
Region or county	56		
School boards	57	185,498	
Unexpended capital financing/(unfinanced capital outlay)	58	3,574,414	
Total	59	43,077,277	

STATISTICAL DATA

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

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1. Number of continuous full time employees as at December 31

		1
Administration	1	25
Non-line Departmental Support Staff	2	40
Fire	3	56
Police	4	101
Transit	5	47
Public Works	6	107
Health Services	7	
Homes for the Aged	8	
Other Social Services	9	32
Parks and Recreation	10	37
Libraries	11	
Planning	12	5
Total	13	450

2. Total expenditures during the year on:

		time employees December 31	Other
		1 $	2 $
Wages and salaries	14	14,214,847	1,467,077
Employee benefits	15	1,641,777	69,836

3. Reductions of tax roll during the year (lower tier municipalities only)

		1 $
Cash collections: Current year's tax	16	31,703,646
Previous years' tax	17	253,809
Penalties and interest	18	410,664
Subtotal	19	32,368,119
Discounts allowed	20	
Tax adjustments under section 362 and 363 of the Municipal Act —amounts added to the roll	22	( )
—amounts written off	23	
Tax adjustments under sections 465, 495 and 496 of the Municipal Act —recoverable from upper tier and school boards	24	220,660
—recoverable from general municipal revenues	25	301,820
Transfers to tax sale and tax registration accounts	26	292,393
The Municipal Elderly Residents' Assistance Act—reductions	27	
—refunds	28	
Other (specify)	80	23,637
Total reductions	29	33,206,629
Amounts added to the tax roll for collection purposes only	30	
Business taxes written off under subsection 495 (1) of the Municipal Act	81	

4. Tax due dates for 1986 (lower tier municipalities only)

			1
Interim billings:	Number of installments	31	3
	Due date of first installment (MMDDYY)	32	02/28/86
	Due date of last installment (MMDDYY)	33	04/30/86
Final billings:	Number of installments	34	3
	Due date of first installment (MMDDYY)	35	06/30/86
	Due date of last installment (MMDDYY)	36	08/29/86
Supplementary taxes levied with 1987 due date		37	$ NIL

5. Projected capital expenditures and long term financing requirements as at December 31

		gross expenditure	long term financing requirements: approved by the O.M.B.	submitted but not yet approved by the O.M.B.	forecast not yet submitted to the O.M.B.
		1 $	2 $	3 $	4 $
Estimated to take place in 1987	58	5,907,000			5,907,000
in 1988	59	7,157,000			7,157,000
in 1989	60	6,605,000			6,605,000
in 1990	61	4,932,000			4,932,000
in 1991	62	6,492,000			6,492,000
Total	63	31,093,000			31,093,000

		balance in fund	loans outstanding
		1 $	2 $
6. Ontario Home Renewal Plan trust fund at year end	82	609,301	342,974

7. Analysis of direct water and sewer billings as at December 31

water

		number of residential units	1986 billings: residential units	1986 billings: all other properties	
		1	2 $	3 $	4
In this municipality	39	17,754	2,454,148	936,946	
In other municipalities (specify municipality)	40				
	41				
	42				
	43				
	64				

sewer

		number of residential units	1986 billings: residential units	1986 billings: all other properties
		1	2 $	3 $
In this municipality	44	17,754	1,013,129	221,836
In other municipalities (specify municipality)	45			
	46			
	47			
	48			
	65			

		water	sewer
		1	2
Number of residential units in this municipality receiving municipal water and sewer services but which are not on direct billing	66		

8. Selected investments of own sinking funds as at December 31

		own municipality	other municipalities, school boards	Province	Federal
		1 $	2 $	3 $	4 $
Own sinking funds	83				

9. Borrowing from own reserve funds

		1 $
Loans or advances due to reserve funds as at December 31	84	71,950

10. Joint boards consolidated by this municipality

		total board expenditure	contribution from this municipality	this municipality's share of total municipal contributions	for computer use only
		1 $	2 $	3 %	4
name of joint boards	53				
	54				
	55				
	56				
	57				

11. Applications to the Ontario Municipal Board

		tile drainage, shoreline assistance, downtown revitalization, electricity, gas, telephone	other	total
		1 $	2 $	3 $
Approved but not financed as at Dec. 31, 1985	67		109,000	
Approved in 1986	68		2,030,752	
Financed in 1986	69		2,139,752	
No long term financing necessary	70			
Balance approved but not financed as at Dec. 31, 1986	71		NIL	
Applications submitted but not approved as at December 31, 1986	72		NIL	

12. Forecast of total revenue fund expenditures

		1987	1988	1989	1990	1991
		1 $	2 $	3 $	4 $	5 $
	73					

47.

AUDITOR'S REPORT

Municipality

CITY OF CORNWALL

To the Ministry of Municipal Affairs

We have examined grant information schedule 13 of the Financial Information Return of the Corporation of the City of Cornwall for the year ended December 31, 1986. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, this schedule presents fairly the grant information therein in accordance with instructions issued by the Ministry of Municipal Affairs for the year 1986.

Touche Ross & Co.

Cornwall, Ontario
April 14, 1987

Chartered Accountants
Licence No. 1239

GRANT INFORMATION

for the year ended December 31, 1986

Municipality: CITY OF CORNWALL

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ANALYSIS OF REVENUE FUND REVENUES

1

Note: Upper tiers use column 4 only.

		upper tier purposes 2 $	own purposes 4 $
Taxation			
Direct water billings on ratepayers - own municipality	2		3,391,094
Sewer surcharge on direct water billings - own municipality	4		1,234,965
Payments in lieu of taxes			
Subtotal	18		3,540,706

ANALYSIS OF TAXATION

2LT

		LOCAL TAXABLE ASSESSMENT		
I. Own purposes (a) Levied by mill rate		residential and farm 1 $	commercial and industrial 2 $	business 3 $
General	30	55,907,174	31,531,722	13,923,755
police villages at reduced rates	31			
farms at reduced rates	32			

		TAXES LEVIED		
		commercial and industrial 7 $	business 8 $	total 12 $
Subtotal levied by mill rate	1	5,724,584	2,527,858	
Share of telephone and telegraph taxation	2			433,140
Total own purposes taxation	4			18,180,990
II. Upper tier purposes				
Subtotal levied by mill rate	5			
share of telephone and telegraph taxation	6			
Total upper tier taxation	8			

ANALYSIS OF CAPITAL OPERATIONS

5

		1 $
Other financing		
Prepaid special charges	24	